3: Simutis S-4 (no date) 1942 RB5 Lithuanians RB5

433 terial collected by the German professor Skalweit [3] refers to a territory somewhat larger than the Lithuania of 1939. His findings, however, give a fairly accurate picture of the state of agriculture in Lithuania before the World War of 1914–18.

241 The main branches of agriculture in pre-war Lithuania were the cultivation of grain crops, the growing of flax, and the breeding of horses. Dairying, pig breeding, and poultry farming were almost nonexistent.[4]

2. The war and post-war period of disturbed development.—The study of these periods is almost entirely omitted in this volume, as these periods cannot serve for comparison, because almost from the very first days of the war Lithuania was converted into a battlefield for the Russian and German armies. The pursuit of agriculture was impossible throughout most of the period. As late as 1920, when a third of Lithuania was seized by Poland, foreign armies were still trampling the few crops that the farmers were trying to raise. Only after 1920 did Lithuania actually enter upon a comparatively normal economic life.

3 and 4. Post-war periods of progress, depression, and recovery.—Agriculture, the most fundamental economic activity of man, varies from the most primitive cultivation with the hoe to skilled machine-implemented scientific farming. In Lithuania, farming is not mechanized to a great extent, for the use of machinery on small parcels of land is not profitable. Experiments in scientific farming have, however, been undertaken and substantial progress has been 000 made since the World War. Though wheat is mankind's most

[3] B. Skalweit, *Die Landwirtschaft in den litauischen Gouvernements: ihre Grundlagen und Leistungen* (Agriculture in the Lithuanian Gouvernements: Its Foundation and Efficiency), Jena, 1918.

[4] J. Kriksciunas, *Agriculture in Lithuania*, Kaunas, 1938, p. 12.

3: Simutis S-4 (no date) 1942 RB5 Lithuanians RB5

Though wheat is mankind's most popular cereal food, rye is the first choice in Lithuania. Only about 8 percent of all the arable land is utilized for wheat, while 19 percent of the land is devoted to the growing of rye. Another of the world's largest crops—corn (maize)—is not grown in Lithuania. The same is true of rice. The more popular grain crops, besides rye, are oats, barley, and wheat. Most favored of root crops in Lithuania are the potato and various species of root vegetables. The sugar beet, entirely unknown before the World War, is now quite popular and is grown in sufficient quantities to supply three sugar refineries. Of the fibers, flax is the only one that is widely grown. Hemp is also produced, but in small quantities and only for the consumption of farmers themselves, who use the fiber for ropes and the seeds for several kinds of food.

Another important branch of the agriculture of Lithuania is livestock breeding, which has been vastly improved and extended since the World War.

Economic reconstruction after the World War was not as general among agricultural countries as it might at first appear. Timoshenko points out several unfavorable factors.[5] First of all, the prices of agricultural commodities began to decline early in the period of prosperity. This affected the purchasing power of agricultural and raw-material producing countries. Another adverse factor was the reëstablishment of a system of agricultural protection in the industrial countries of Europe. Cereal production was given less tariff protection during the earlier post-war period than before the war. In some countries of central Europe, including Germany, tariff protection of grain products was completely discontinued during the first post-war years.

[5] Vladimir P. Timoshenko, *World Agriculture and Depression*, Michigan Business Studies, Vol. V, No. 5, University of Michigan, 1933, pp. 541–663.

3: Simutis S-4 (no date) 1942 RB5 Lithuanians RB5

433 Since 1924–25 the policy has been changed and the countries of central Europe have returned to the pre-war methods of tariff protection of their cereal production as well as to the protection of their animal husbandry. This has contributed to duplication in production and to the narrowing of the world market for exported agricultural products, while other factors stimulated the further expansion of agricultural production in the surplus-exporting countries. Exports from agricultural and raw-material producing countries increased very little during the years of prosperity because there was no appreciable increase in the demand for these products in the industrial countries. At the same time, the imports of agricultural countries, consisting mainly of manufactured goods, rose rapidly. The payment balance of agricultural countries could be kept in equilibrium only by an increase in indebtedness or by drawing on the surplus of previous years. For example, in 1924 Lithuania's exports exceeded imports by 60 million litas, while in 1927 imports exceeded exports by 19.8 million litas and in 1938 by 34.2 million litas.[6]

241

439

000 Data on economic activities in Lithuania cover the period up to 1939. With the war of 1939 another period of "disturbed economic development" started; no attempt can be made to analyze this period in this volume, since economic conditions are very unstable and data on economic activities unavailable.

LAND REFORM

423 One of the factors that contributed most to a complete overhauling of the internal economic and social structure of Lithuania was the land reform, a question which was

[6] Exchange rate: 10 litas to $1.00 until 1933; 6 litas to $1.00, 1935–40.

3: Simutis S-4 (no date) 1942 RB5 Lithuanians RB5

According to the agricultural census of 1930, the number of farms in Lithuania and their areas are as stated in Table 7.

TABLE 7

CENSUS OF FARMS

FARM SIZE (*Acres*)	NUMBER OF FARMS	COMBINED AREA (*Acres*)
2.5– 12.5	53,463	380,722
12.5– 25.0	78,237	1,440,338
25.0– 37.5	59,572	1,788,349
37.5– 50.0	33,236	1,408,275
50.0– 75.0	34,197	2,042,511
75.0–125.0	20,597	1,885,111
125.0–250.0 and over	8,078	1,725,742
TOTAL	287,380	10,671,048

Through the land reform, over 45,000 new farms have been established and over 200,000 persons (including new settlers and their families) have been provided with regular occupation and permanent homes. This undoubtedly has brought beneficial results to the social and economic life of the country.[15] Moreover, the land reform has undoubtedly been a means of substantially raising the country's productivity, to the benefit of both the state and the individual farmer.

When Soviet Russia occupied Lithuania on June 15, 1940, a still more radical "land reform" was proclaimed by the Soviet-appointed puppet government. All land was proclaimed state property. Consequently, the farmer-owners suddenly became only managers of government property and, therefore, could not sell, exchange, or give away their

[15] Kriksciunas, *op. cit.*, p. 34; Elbergas, *op. cit.*, pp. 64–68.

3: Simutis S-4 (no date) 1942 RB5 Lithuanians RB5

423 land. Seventy-four acres (30 hectares) was the maximum
471 allowed each family to manage.
656 Several thousand formerly landless farmers who obtained a few acres through this Soviet "land reform" and whose popular support the Soviet government was seeking found themselves unable to till the allotted land because they had no tools, seed, or livestock and could not secure any aid from the government. The Soviet policy was to force them all into so-called "collective farms" (kolkhoz).

The majority of the farms of 80 hectares (198 acres) or over were not distributed at all but converted into government farms (sovkhoz) controlled through commissars.

Those who were allowed to keep 30 hectares (74 acres) were called "kulaks," and such high taxes were imposed upon them that they were forced to join the government-fostered collective farms.

241 As indicated by Table 7, before the Soviet Russian oc-
423 cupation there were 287,380 separate farms in Lithuania,
656 ranging in area from 2.5 to 250 acres. These farms, on the basis of productive capacity, were classified into three groups.

The first group was comprised of the self-sufficient farms, ranging in acreage from 2.50 to 30 acres. Farmers in this group raised sufficient grain to maintain their families and kept one or two horses for work, one to four milk cows, and some poultry; thus they themselves produced most of their food. They had little to sell and bought little from the town. At the end of 1939, about 160,000 farms or 56 percent of all farms of Lithuania were in this group.

The second group was comprised of farms of between 30 and 70 acres which produced substantial quantities of agricultural products for the market. Although the farming system of this group was similar to that of the first one to the

3: Simutis S-4 (no date) 1942 RB5 Lithuanians

extent that these farmers produced various kinds of agricultural products, they usually concentrated more specially on one branch of farming, such as dairying or grain raising. About 100,000 farms belonged to this group.

Farms exceeding 70 acres belonged to the third group and stood highest in independent Lithuania from the point of view of the quality and quantity of their products. There were about 27,000 farms in this group. It was mainly this and the second group which supplied the bulk of agricultural products for export. It was also this third group and to a degree the second which first felt the ruin of Sovietization. Most of the farms in the third group were reduced to not more than 74 acres so that the farming inventory and buildings were not suitable to the smaller parcels of land. A substantial part of them was converted into government farms (*sovkhoz*). At the same time pressure was put on the second group by imposing exorbitant taxes in order to make it disintegrate as rapidly as possible.

Taking into consideration the area of land utilized by each group, it might be deduced that in normal times the first group produced 20 percent of the entire amount sold on the market, while the second and third groups produced the remaining 80 percent, or 40 percent each. From this it would appear that the capacity of agricultural production in Lithuania during the Soviet Russian occupation dropped at least 40 percent.

When the Germans occupied Lithuania in June, 1941, they found the Bolshevik-introduced system convenient to some extent for the expropriation of the country economically. They restored the system of private ownership, but had not returned, up to the end of 1941, farms to the original owners. Even those farmers who were left managers of their small

3: Simutis 8-4 (no date) 1942 RB5 Lithuanians RB5

AGRICULTURE

The most popular grain crops in Lithuania are winter rye, winter wheat, oats, and barley; the respective importance of each is indicated by the proportion of the land used for various crops, as shown in Table 12.

TABLE 12

LAND USED FOR VARIOUS CROPS

CROPS	1909–13 [a] (1,000 acres)	1938 [b] (1,000 acres)	PERCENTAGE OF ALL ARABLE LAND
Rye (winter and spring)	1,365.0	1,304.8	19.2
Wheat (winter and spring)	202.0	500.5	7.4
Oats	783.8	877.4	13.0
Barley	452.7	536.3	8.1
Buckwheat	16.1	19.6	.3
TOTAL GRAIN	2,819.6 [c]	3,238.6 [d]	48.0
Legumes	140.8	192.7	2.8
Potatoes	294.3	459.7	6.8
Sugar beets, fodder beets, carrots, and turnips	(e)	160.0	2.4
Clover and other grass fodder	(e)	1,378.2	20.3
Flax	(e)	192.5	2.8
Vegetables	136.4	63.1	.9

[a] J. Krikščiunas, *Die litauische Landwirtschaft* (Lithuanian Agriculture), Kaunas, 1933, p. 133.
[b] C.S.B., 1938, pp. 114–17.
[c] 1,141,100 hectares.
[d] 1,310,640 hectares.
[e] Figures not available.

In general, there is a tendency to reduce rye cultivation. For instance, the total of 1,365,000 acres used for rye in the years 1909–13 is 7.2 percent greater than was used in the same territory in the post-World War period.

In Lithuania rye is used principally for a special dark

11:League of Nations G-4 (no date) 1939 RB5 Lithuanians RB5

242 therefore hope as yet to equal that of the more progressive countries of Western Europe, but it does exceed the average figure for Eastern Europe. The yield per hectare is 13-14 quintals for wheat and 12-13 quintals for barley and rye; the figure for oats is slightly below the figure for barley, owing to the havoc caused in recent years by rust.

241 Lithuania produces large quantities of cereals and pulse, a large part of which is, however, required for fodder. Forage is also obtained from wide areas of clover, meadowland and [233] pasture. Stock-breeding constitutes the principal agricultural activity : cattle, pigs, poultry. Lithuania used to be famous for her horses, which were exported in large numbers to Western Europe; now, however, there is very little export trade, and almost all the farm-work is done with horses.

Work in the fields generally begins in the second half of April and ends in about mid-November. The winter is long and farm work is concentrated in a relatively short period. The fact that the country is broken up into small farms, in conjunction with the low purchasing-power of the farmer, has prevented the mechanisation of agriculture on any very extensive scale. Cereals and pulse are generally machine-threshed, but most of the field-work is done by animal-drawn implements or by hand. There are a fair number of reapers, binders, seeders, hoers and other types of agricultural machinery, but these are employed only for part of the work; not all the peasant farmers are fortunate enough to possess them, so that a great deal must depend on human labour. This fact and the comparative shortness of the season means that the call for labour is greatest during the summer. Accordingly, a relatively large number of the population lives in the country and is intensively occupied during the season of work in the fields.

* * *

437 The economic structure of Lithuania has determined the character of her trade with Germany. Lithuania disposes of her surplus agricultural production on the international market (in 1938, 40% of her exports were absorbed by the United Kingdom, 26.8% by Germany, 5.7% by the Union of Soviet Socialist Republics, 4.5% by Belgium, etc.). Her imports consist mainly of manufactured products, including 33% from the United Kingdom, 24.4% from Germany, 6.7% from the Union of Soviet Socialist Republics, 4.7% from the Netherlands and 3.8% from Belgium.

In 1938, exports totalled 233 million litai and imports 223 millions. One half of the exports consisted of foodstuffs (122 million litai : including butter 48 millions, bacon 24 millions,

11:League of Nations G-4 (no date) 1939 RB5 Lithuanians RB5

292 The national costume, though little worn on ordinary occasions, is much in evidence on holidays and on festive occasions, particularly among the women.

342 241 Since the redistribution of the communal lands, the farms have all been scattered over the vast plain, at some distance from one another. Most of the buildings are of wood, as timber costs far less than masonry; the roofs are generally of thatch or wood, though quite often of iron or tiled. Most of the houses are fairly roomy, and even small peasant farmers have three or four rooms. The Lithuanian peasant does not live in a house under the same roof as the stables or other farm buildings, as is so often the case in Western and Southern Europe; he regards such an arrangement as inconvenient and unhealthy. There is generally a little orchard and vegetable garden near the house. The Lithuanian peasants do not plant orchards for commercial purposes; they grow fruit for their own requirements and very few of them sell their fruit on the home markets or for export.

184 The country being comparatively small in area, no great differences are noticeable between the types of farm or the peasants in different regions. Of recent years, the various means of communication, particularly motor-bus services, have improved, and this tends very largely to eliminate such differences as did exist between the various regions. Practically all the peasantry is Roman Catholic. Though dialects exist, peasants [212] from all parts of the country understand one another. For some years now, over half of them have been able to read the newspapers and to become familiar with the literary language; farming papers alone have a circulation of over 150,000, though the total number of farms does not exceed 290,000. From the point of view of nationality also, the Lithuanian peasantry constitutes a homogeneous mass. Lithuania does possess national minorities (about 18% of the population) but these consist mainly of urban dwellers, whereas the rural districts are populated almost exclusively by persons of Lithuanian race.

* * *

000 The Lithuanians have full confidence in the future. Always supposing that no restrictions are placed on their activities and that their territory is not once again turned into a battlefield, the exploitation of the natural riches of the country should proceed rapidly and on a comprehensive scale, while the living conditions of the rural population will improve correspondingly. This confidence in the future is justified by the very considerable progress already achieved during the brief period since Lithuania recovered her independence, progress which is explained by the attachment of country dwellers to the land and by their hard-working, intelligent and long-suffering character, and, lastly,

11: League of Nations G-4 (no date) 1939 RB5 Lithuanians RB5

II. LAND TENURE AND AGRARIAN REFORM

When the Lithuanian State was revived in 1918, two-thirds of the land under peasant ownership consisted of holdings split up into a large number of separate strips and plots. (Detailed plans of villages before and after the subdivision of village lands into self-contained holdings are to be found in M. V. Balčiūnas' work *Lietuvos kaimų žemės tvarkymas istorijos, ūkio ir statistikos šviesoj*, published by the Central Land Office of the Ministry of Agriculture, Kaunas, 1938, pages 156 to 158.) At that time, moreover, almost every village had common pasture-land and much of the land was subject to servitudes in the form of pasture and forest rights. The peasants were entitled to pasture their stock on land belonging to the great landed estates and to receive a given quantity of wood from their forests.

In the early years of the country's independence, the Government took steps with a view to the consolidation of holdings, a process which entailed the subdivision of village lands into self-contained undertakings and the abolition of common pasture-lands and servitudes. Subdivision was required

Farm established in pursuance of agrarian reform.

11:League of Nations G-4 (no date) 1939 RB5 Lithuanians RB5

423 in some 9,600 villages with a total area of 1,974,000 hectares. By 1938, 6,096 villages, with a total area of 1,491,475 hectares, had actually been subdivided into 139,551 self-contained undertakings. Thus, 3,500 villages, with a total area of 516,500 hectares, have still to be subdivided, and it is expected that the process will be completed in from four to five years. In all the villages subdivided, the common pasture-lands have been abolished. Furthermore, servitudes have been done away with in regard to a total area of approximately 100,000 hectares: the owners of pasture rights received compensation in land and the owners of forest rights were compensated in land, trees or cash.

241 This consolidation of holdings freed the peasants of villages that had been subdivided from the necessity for a common system of crop rotation for the entire village, and more particularly the system of three-shift rotation, with its well-known drawbacks; this has greatly facilitated cultivation and other agricultural work, and has brought about a state of things more conducive to agricultural improvements, etc.

423 The consolidation of holdings was one of the two most important aspects of agrarian reform in Lithuania, the other being the provision, out of the big estates, of land for peasants who previously had none, and for small landowners who required more.

In the early days of independence, the distribution of the land as between the various types of agricultural undertaking was anomalous. While from a third to half of all the land in the country was in the hands of large landowners, many of the peasants, being unprovided, or insufficiently provided, with land, had no outlet for their activities and lacked a regular means of livelihood. According to the data collected in 1919 preparatory to the introduction of agrarian reform, there were, in round figures, 60,000 landless peasants and 40,000 smallholders who had applied for land. At the same time, the large estates could no longer be kept up, particularly in consequence of the serious losses suffered by their owners during the war, and were fated to give way to small and medium-sized undertakings (see the International Institute of Agriculture's publication, *La Réforme Agraire*, I, Rome, 1930, pages 58 and 59).

In pursuance of the agrarian reforms, some 35,000 new undertakings with a total area of 350,000 hectares were created out of the land belonging to the big estates and some 90,000 hectares were distributed among approximately 26,000 smallholders. (Land was also given to schools, various cultural and social organisations, etc.)

As a result, large numbers of agricultural labourers were raised from economic conditions which were truly deplorable to a position of independence in the country's economic life. In

11: League of Nations G-4 (no date) 1939 RBS Lithuanians RBS

As regards *agricullural research*, the Institute of Agricultural Research (founded in 1927) is in charge of experimental work in the field of agriculture throughout the country, with the exception of the work conducted by the Agricultural Academy at Dotnuva. It has at present under its control seven experimental stations dealing with various matters relating to the cultivation of crops, an experimental fruit-growing station (in process of organisation), a crop improvement station (at Dotnuva), a crop protection station (at Dotnuva) and a station for research on the breeding of pigs for bacon. Proposals are under consideration for the foundation of an agricultural machinery testing station and of stations for research into cattle- and sheep-breeding respectively.

In consequence of these measures, and particularly the activities of the agricultural intelligence service, agriculturists have begun to introduce a more rational system of crop rotation, to prepare the soil more carefully and fertilise it more rationally (the progress of stock-breeding increases the quantities of manure available), to use better quality seed, to improve meadow- and pasture-land, to make more extensive use of agricultural machinery (through the foundation of co-operative societies for the joint use of machinery), etc. The results have been a decrease in the area of land left fallow and a corresponding increase in the area sown from an average of 2,079,000 hectares for the years 1928 to 1930 to 2,312,000 hectares for the period 1935 to 1937, the increase chiefly affecting the land under the more intensively cultivated crops (wheat, sugar-beet, mangel-wurzels). There has also been an increase in the yield per hectare of all the principal crops (wheat, rye, barley, oats, peas and potatoes), the yield from 1933 to 1937 being almost half as great again as during the years 1901 to 1910. It is worthy of note that, whilst the cultivation of sugar-beet was entirely unknown in the country before the war, the refineries now pay out almost 6½ million litai to the growers each year. The productivity of meadow- and pasture-land has increased to an even greater extent than that of arable land.

This latter circumstance has permitted the development of stock-breeding and the number of farm animals has risen considerably (in the case of cattle, for example, from 766,000 in 1913 to 1,172,000 in 1937). As a result of the organisation of milk control societies, breeding centres, the keeping of stud books, etc., the productivity of stock has also increased very considerably.

Progress has been particularly noteworthy in the case of cattle (which, in Lithuania, are mainly bred for the production of milk). In 1923, with a view to the transformation of surplus milk into exportable produce, chiefly butter, dairymen's co-operative societies were founded with the financial support